

STATEMENT OF WORK “TEMPE-Water Utility-Phase2.0”

Customer:
City of Tempe, Arizona

City of Tempe, Arizona:
Target Start Date: 1/13/2017
Target Completion Date: 6/30/2017

Contact:
Cyndy Lawshe
City of Tempe
IT Manager - Business Solutions
480-858-2044

This Statement of Work (“SOW” or “Statement of Work”) is entered into pursuant to, fully incorporated into and governed by the terms and conditions set forth in Exhibit A, between City of Tempe, Arizona (“Tempe” or “Customer”) and The Confluence Group, Inc. (“Confluence” or “Consultant”) effective as the Effective Date (the “Agreement”). Defined terms used and not expressly defined in this SOW shall have the meanings ascribed to them in the Agreement.

Summary

This Statement of Work covers activities for the Tempe project to extend certain work order management and field data recording capabilities to workers through mobile computers. The SOW is governed under the terms and conditions outlined in Exhibit A PROFESSIONAL SERVICES. The project extends the existing capabilities of KONA Work and Asset Management (Core Product) to Water Utilities Field Crews for the City.

Currently, Water Utilities Field crews are not connected to CMMS, GIS, Billing System and do not have access to asset management tools. All work is paper-driven and inefficient leading to difficulties in responding to customer or distribution system needs. Additionally, no mechanism for Work Order and Service Order tracking nor Quality Control exists, work and work results fall through cracks. For work distribution, routing and prioritization inefficiencies increase drive time and fuel costs over what other utilities experience with complete mobile field operations.

Finally, locating assets and asset information in the field can be difficult and inefficient, the workflow is also lacking. Geospatial information system investments by the City have improved the quality and quantity of information on critical assets but this vital data has limited reach to the field technicians and crews and at the same time, field resources do not have easy methods for improving the data based on real-world observations.

This project aims to address the deficiencies outlined above, increase communication between workgroups, streamline workflow, capture work and asset information that does not currently exist, and provide real time information on projects to field and office personnel. It builds off the work completed in prior phases to create a seamless work and asset management platform for utility services.

Project Responsibilities and Activity Areas:

Tempe will provide significant and critical resources to the overall execution of the pilot project including, but not limited, to:

- Project management
- Business analysis
- Database administration
- Integration development
- Hansen CMMS interface development
- Configuration of GIS services for consumption by KONA
- System testing
- User acceptance testing
- Training of Field Crews and Utilities personnel

Confluence shall provide resources to support Tempe in the following areas:

- Configuration code development
- Process design for Utility services
- Integration development on the KONA platform and Hansen CMMS, where needed
- Oracle CC&B interface refinement (as needed)
- Other areas as directed by Tempe

Functional Scope – Phase 2

The services estimated below, in conjunction with the Core Product delivered to the City in July of 2016 and December 2016, are designed to give the City a real-time electronic platform for managing field work surrounding water utility assets. For Phase 2, Confluence will help configure KONA work and asset management forms to accomplish the following Project Objectives:

1. Generic maintenance Service Requests/Work Orders
2. Preventative Maintenance Work:
 - a. Hydrant Inspection
 - b. Valve inspection
 - c. Stormwater infrastructure inspection and data capture
 - d. Manhole inspection
 - e. Sewer line cleaning – feet cleaned per day on the line
 - i. Problem areas: weekly/monthly/quarterly
 - ii. Oder complaint
 - iii. Routine PM by map and sections
3. Asset specific ad-hoc work
 - a. Exercise Hydrant
 - b. Exercise Valve
4. Complex Work Orders
 - a. Emergency notifications
 - b. Fire flow testing
 - c. Mock shutdown + shutdowns
5. Field redline process with marked up map and a follow-up Work Order with a map image
6. Appointment Booking for customer and non-customer planned events
 - a. Fireline shutdown or other limited pilot
7. Tracking of costs

- a. Parts
- b. Labor
- c. Equipment
- 8. Work dashboard metrics
 - a. Time per work type
 - b. Time per asset
 - c. Effort per different users or by group
- 9. Reports
 - a. Excavation report to e-mail/retain copy
 - b. Water main break report e-mail/retain copy
 - c. Duct control report e-mail/retain copy

Cost

<i>Professional Services - Phase 2*</i>	<i>Qty</i>	<i>Rate</i>	<i>Cost</i>
<i>Configuration KONA Field Forms</i>	400	\$145.00	\$58,000.00
<i>Configuration KONA Dispatch</i>	120	\$145.00	\$17,400.00
<i>Crew/Resource Management</i>	24	\$145.00	\$3,480.00
<i>Integration testing and configuration</i>	160	\$145.00	\$23,200.00
<i>Process flow design</i>	160	\$145.00	\$23,200.00
<i>Scrum Master/Project Lead/Architect</i>	380	\$145.00	\$55,100.00
<i>System Testing Support</i>	320	\$145.00	\$46,400.00
<i>CCB FA Creation</i>	80	\$200.00	\$16,000.00
<i>GIS configuration and asset interaction</i>	200	\$145.00	\$29,000.00
<i>Business Travel to Tempe</i>	5	\$500.00	\$2,500.00
<i>Total Estimated Services Cost to Tempe</i>			\$274,280.00

Proposed Key Milestones for the first phase of the Project:

The scope and projected delivery dates of the releases is outlined here.

<i>Milestone</i>	<i>Activities and Deliverables</i>	<i>Milestone Date</i>	<i>Cost</i>
<i>1 - Launch</i>	Project plan, Kick-off, scope and process review complete	2/28/17	\$45,713.33
<i>2 - Hansen & GIS Integration</i>	Access to SR and WO and Asset data in Hansen, Access to GIS data from WGIS in KONA.	3/31/17	\$45,713.33
<i>3 - Forms 1</i>	Forms processing for standard and PM work. (Project Objectives 1-3.)	4/30/17	\$45,713.33
<i>4 - Go-live</i>	Pilot go-live/Field testing	5/31/17	\$45,713.33
<i>5 - Forms 2</i>	Forms processing Project Objects 4-7.	6/30/17	\$45,713.33
<i>6 - Appointments and other config/go-live</i>	Final go-live with Project Objectives 8-9 met.	7/31/17	\$45,713.33

*Because the project is managed by Tempe and driven by the requirements provided to Confluence by Tempe business and information services stakeholders, the milestone dates and estimated professional service costs are estimates only. Various factors including Tempe (contractor and employee) resource availability may move the delivery dates to before or after the dates listed. Confluence shall immediately give notice to Tempe of any changes in costs prior to incurment.

Statement of Work Services Roles and Services Fees:

Consultant Resource	Skills	Work Location
Phil Ragsdale	<ul style="list-style-type: none"> Senior KONA Architect/Requirements Lead Engagement/Project Management 	On-site at Tempe facilities and remote Confluence offices
Steve Dedrick	<ul style="list-style-type: none"> Senior KONA Architect/Requirements Lead Engagement/Project Management Test Support 	On-site at Tempe facilities and remote Confluence offices
Brooks Yates	<ul style="list-style-type: none"> Java, CCB XAI 	Remote Confluence offices
Dmitry Golovinov/KONA Staff Developers	<ul style="list-style-type: none"> Senior integration architect/ developer 	Remote Confluence offices

Payment Terms:

For all milestone payments, Confluence shall invoice Tempe monthly and payment terms shall be Net 30.

Representatives & Signatures

City of Tempe, Arizona	The Confluence Group, Inc. PO Box 1182 Boulder, CO 80306-1182
By:	
Name: Mark W. Mitchell	Name: Phil Ragsdale
Title: Mayor	Title: President/CEO
Date:	Date: 11-28-2016

EXHIBIT A
PROFESSIONAL SERVICES AGREEMENT1. General

- (a) This Professional Services Agreement (the "Agreement"), effective on the date of the last signature by the parties below ("Effective Date"), is made by and between The Confluence Group, Inc. ("Consultant") and the City of Tempe, Arizona ("Customer"). This Agreement shall include any attached exhibits, schedules, statements of work or other documents referencing this agreement and executed by both parties (each a "Statement of Work").
- (b) The terms of this Agreement shall apply to all orders or Statements of Work issued by Customer for Services (as defined below). The parties acknowledge and agree that to the extent either party has been performing services in connection with elements contemplated hereby prior to the Effective Date, the terms and conditions of this Agreement shall retroactively govern each party's performance in connection with the subject matter thereof.
- (c) Unless otherwise expressly agreed to in a writing signed by both parties, the terms of this Agreement shall supersede any conflicting or additional terms on any Customer order or contractor invoice.

2. Professional Services

- (a) Consultant shall provide to Customer the professional services and deliverables ("Deliverables") described in a Statement of Work executed by the parties (collectively, the "Services"). For the avoidance of doubt, under no circumstances shall the Core Product, Configuration Code or Documentation (as such terms are defined in that certain License Agreement for CG Mobility between Consultant and Customer of even date herewith ("License Agreement")) be deemed a "Deliverable" pursuant to this Agreement or any Statement of Work entered between the parties.
- (b) All specifications, designs, processes, techniques, concepts, improvements, discoveries and inventions made or developed in connection with the Services (collectively, "Creations") will be the exclusive property of Consultant. Customer is granted a perpetual, revocable (pursuant to Section 4(a)), non-transferable and non-exclusive license, without any right to sublicense, to use the Creations. Notwithstanding the foregoing, the license granted hereunder shall not apply to any third party products, software or code, and any license to such third party products, software or code shall be subject to a separately negotiated license.
- (c) Customer shall make available in a timely manner at no charge to Consultant all technical data, computer facilities, programs, files, documentation, test data, sample output, office space, services, equipment, or other resources required by Consultant for the performance of the Services. Customer assumes the risk of any problems resulting from, the content, accuracy, completeness and consistency of any data, materials and information supplied by Customer.
- (d) Responsibility for proper implementation of any project described in a Statement of Work is with Customer. Consultant's role is to assist Customer with such implementation. Tasks that are primarily the responsibility of Customer's personnel will remain Customer's responsibility, even if Consultant assists Customer in performing such tasks.

3. Payment and Taxes

- (a) Unless otherwise provided in a Statement of Work: (i) Customer shall pay Consultant on a time and materials basis for Services in accordance with Consultant's then-standard rates; (ii) Consultant will invoice Customer twice a month as Services are performed; (iii) Customer shall reimburse all reasonable travel and other related expenses incurred by Consultant in the performance of the Services; and (iv) all payments for fees and expenses must be made by Customer within thirty (30) days following the date of Customer's receipt of the applicable invoice.

- (b) Customer shall be responsible for and pay all taxes, excluding only taxes based solely on Consultant net income. The Customer shall pay all fees due under this Agreement without any deduction or withholding of any kind. If Customer is required by applicable law to deduct or withhold any amount from the payment of fees, the fees Customer shall pay to Consultant shall be increased by the amount necessary to ensure Consultant receives an amount equal to the fees which would have been payable had no deduction or withholding been required.

4. Termination

- (a) Either party may terminate this Agreement and any licenses granted hereunder upon written notice if the other party: (i) fails to pay any amount due under this Agreement within thirty (30) days after receipt of written notice of such nonpayment; or (ii) commits a material, non-monetary breach of this Agreement, and such breach, if capable of being cured, is not cured within thirty (30) days following the breaching party's receipt of written notice of termination. Without limiting the foregoing, this Agreement may also be terminated immediately by either party if the other party: (A) terminates or suspends its business; (B) becomes insolvent, admits in writing its inability to pay its debts as they mature, makes an assignment for the benefit of creditors, or becomes subject to direct control of a trustee, receiver or similar authority; or (C) becomes subject to any bankruptcy or insolvency proceedings or orders.
- (b) Notwithstanding the termination of this Agreement, Sections 3, 5, 6 and 7 shall survive. All other rights and licenses granted hereunder will cease immediately upon termination.

5. Warranty

- (a) Consultant warrants that it shall provide Services in a professional and workmanlike manner. Customer agrees that its sole and exclusive remedy for a breach of the foregoing warranty shall be re-performance of the Services that failed to conform to the warranty, and such remedy shall be solely available if Customer provides written notice of such nonconformities within 90 days following the date of Customer's receipt of the nonconforming Services.
- (b) EXCEPT FOR THE EXPRESS LIMITED WARRANTIES SET FORTH IN THIS SECTION, CONSULTANT MAKES NO WARRANTIES EXPRESS, IMPLIED, OR STATUTORY WITH RESPECT TO ANY SERVICES, AND CONSULTANT EXPRESSLY DISCLAIMS ANY IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

6. Liability

IN NO EVENT SHALL CONSULTANT'S LIABILITY ARISING OUT OF THIS AGREEMENT EXCEED 2X (TWO TIMES) THE FEES PAID BY CUSTOMER TO CONSULTANT HEREUNDER. THIS LIABILITY LIMIT IS CUMULATIVE AND NOT PER INCIDENT. IN NO EVENT SHALL CONSULTANT HAVE ANY LIABILITY FOR ANY SPECIAL, INDIRECT OR CONSEQUENTIAL DAMAGES ARISING IN ANY WAY OUT OF THIS AGREEMENT UNDER ANY CAUSE OF ACTION, WHETHER OR NOT CONSULTANT HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. THIS SECTION DOES NOT LIMIT LIABILITY FOR BODILY INJURY OF A PERSON OR BREACH OF CONFIDENTIALITY. Consultant's total aggregate liability for any damages arising out of or related to this Agreement will not exceed the fees paid hereunder for the defective Deliverable or Service during the twelve (12) month period preceding the initial claim. The existence of one or more claims will not enlarge this limit. No action arising out of this Agreement may be brought by either party more than one year after the cause of action to which it relates first becomes known (or ought to have become known) to the party bringing such an action.

7. General Terms

- (a) Confidentiality - All confidential information disclosed by the parties in connection with this Agreement shall be governed by the terms of Section 9(a) of the License Agreement.
- (b) Independent Contractors - The relationship of Consultant and Customer established by this Agreement is that of independent contractors, and nothing contained in this Agreement shall be construed to give either party the power to direct or control the day-to-day activities of the other. Consultant will control the manner by which the Services are performed and may subcontract or assign any of its obligations and rights under this Agreement.
- (c) Assignment - Except as identified and permitted in Section 7(b), this Agreement shall not be assigned by Customer without the prior written consent of Consultant, which shall not be unreasonably withheld.
- (d) Governing Law - This Agreement shall be interpreted, construed, and enforced in all respects in accordance with the local laws of the State of Arizona, , U.S.A., without reference to its choice of law rules. Each party hereby irrevocably consents to the exclusive jurisdiction and venue of the federal and state courts in Maricopa County, Arizona, in connection with any action arising out of or in connection with this Agreement.
- (e) Force Majeure - Except for the payment obligations hereunder, neither party shall be liable for failure to perform its obligations under this Agreement if the failure results from circumstances beyond that party's reasonable control.
- (f) Severability - If any provision of this Agreement is held to be invalid by a court of competent jurisdiction, the remaining provisions shall remain in full force and effect.
- (g) Entire Agreement - This Agreement, together with the License Agreement, contains the entire agreement between the parties and supersedes all previous agreements and understandings and cannot be altered or changed unless agreed to, in writing, by both parties.
- (h) Non-Solicitation - Neither Customer nor Consultant employ, or solicit to employ, or cause to be solicited for the purpose of employment either directly or indirect, persons employed by the other party. However, both parties hereto agree that the restrictions set forth in the immediately preceding sentence shall not apply to general solicitations directed to the general public.
- (i) Waiver - Failure of any party to enforce any of the provisions of this Agreement or any rights with respect thereto or failure to exercise any election provided for herein shall in no way be considered to be a waiver of such provisions, rights or elections or in any way affect the validity of this Agreement. The failure of any party to exercise any of said provisions, rights or elections shall not preclude or prejudice such party from later enforcing or exercising the same or other provisions, rights or elections which it may have under this Agreement.
- (j) Counterparts - This Agreement may be signed in counterparts which, together, shall constitute one and the same agreement. Delivery of an executed counterpart of a signature page to this Agreement by facsimile or other electronic means (e.g., electronic mail or PDF) shall be effective as delivery of a manually executed counterpart to Agreement.
- (k) Consultant agrees that it will comply with Section 2-603(5) of the Tempe City Code ("TCC"), and will not refuse to hire or employ or bar or discharge from employment any person or discriminate against such person in compensation, conditions, or privileges of employment because of race, color, gender, gender identity, sexual orientation, religion, national origin, familial status, age, disability, or United States military veteran status. Consultant further agrees to provide a copy of its antidiscrimination policy to the City's Procurement Officer to demonstrate compliance with TCC section 2-603(5), or attest in writing to its compliance in accordance with the attached Affidavit of Compliance.
- (l) Consultant has not given, offered to give, nor intends to give at any time hereafter any economic opportunity, future employment, gift, loan, gratuity, special discount, trip, favor, or service to a public servant in connection with the submitted Offer.
- (m) The Consultant agrees to promote and offer to the City only those materials and/or services as stated and allowed by this agreement and resultant Contract award. Violation of this condition shall be grounds for Contract termination by the City.

- (n) The Consultant expressly warrants that it has and will continue to comply in all respects with Arizona law concerning employment practices and working conditions, pursuant to A.R.S. § 23-211, *et seq.*, and all laws, regulations, requirements and duties relating thereto. Consultant further warrants that to the extent permitted by law, it will fully indemnify the City for any and all losses arising from or relating to any violation thereof.
- (o) Consultant agrees and covenants that it will comply with any and all applicable governmental restrictions, regulations and rules of duly constituted authorities having jurisdiction insofar as the performance of the work and services pursuant to the Contract, and all applicable safety and employment laws, rules and regulations, including but not limited to, the Fair Labor Standards Act, the Walsh-Healey Act, and the Legal Arizona Workers Act (LAWA), and all amendments thereto, along with all attendant laws, rules and regulations. Consultant acknowledges that a breach of this warranty is a material breach of this Contract and Consultant is subject to penalties for violation(s) of this provision, including termination of this Contract. City retains the right to inspect the documents of any and all consultants, subconsultants and sub-subconsultants performing work and/or services relating to the Contract to ensure compliance with this warranty. Any and all costs associated with City inspection are the sole responsibility of Consultant. Consultant hereby agrees to indemnify, defend and hold City harmless for, from and against all losses and liabilities arising from any and all violations thereof.
- (p) Consultant certifies that it is not currently engaged in, and agrees for the duration of this Contract/Agreement that it will not engage in, a boycott of Israel, as that term is defined in A.R.S. § 35-393.

8. Conflict of Interest

This Contract is subject to the cancellation provision of A.R.S. § 38-511 dealing with conflict of interest.

9. Travel and Expenses

All project expenses will be billed to the City at cost without markup. Copies of bills for expense are to be submitted with the invoice. The following is a list of allowable travel expenses.

(a) Transportation

Air Transportation – coach class fares, minimum 14 days advance purchase unless otherwise agreed upon.

Car Rental – mid size car or smaller, hybrid or gas for rental (City assumes no liability regarding additional insurance costs or other optional services/equipment).

(b) Lodging and Meals

Meals – three meals per day, at the current federal per diem rate for Maricopa County, Arizona. Current Federal rates can be found at the following website: <http://www.gsa.gov/portal/category/21287>

Lodging – is not to exceed the current federal rate for Maricopa County, Arizona. Offerors are encouraged to stay in hotels located within the City of Tempe when practical. A listing of accommodation within Tempe can be found on the following website: <http://www.tempecvb.com/resortshotels.asp>

**COMPLIANCE WITH CITY’S ANTIDISCRIMINATION
ORDINANCE NO. 02016.25**

The Tempe City Council approved Ordinance No. 02016.25 that requires vendors who are being recommended for award to provide evidence of their compliance with the City’s antidiscrimination policy as shown below:

Sec. 2-601. Policy.

It is declared to be the policy for the citizens of Tempe, Arizona, to be free from discrimination in public accommodations, employment, and housing, and contrary to public policy and unlawful to discriminate against any person on the basis of race, color, gender, gender identify, sexual orientation, religion, national origin, familial status, age, disability, or United States military veteran status, in places of public accommodation, employment, and housing; and contrary to the policy of the city and unlawful for vendors and consultants doing business with the city to discriminate, as set forth in this article.

Sec. 2-603. Unlawful Practices.

The following shall constitute a violation of this article:

For a city vendor or city consultant, because of race, color, gender, gender identify, sexual orientation, religion, national origin, familial status, age, disability, or United States military veteran status, to refuse to hire or employ or bar or discharge from employment any person, or to discriminate against such person in compensation, conditions, or privileges or employment. City vendors and consultants of fifteen (15) or more employees shall provide a copy of its antidiscrimination policy to the city’s procurement officer to confirm compliance with this article. Employers having fourteen (14) or less employees may attest in writing to compliance with this article.

Vendor Requirements

Vendors who have fifteen (15) or more employees shall include with their bid/proposal submittal a copy of its antidiscrimination policy that must mirror the City’s policy as stated above. Suppliers who have fourteen (14) or less employees may include their antidiscrimination policy *or* complete a written affidavit of compliance per the attached.

To be completed by responding company and returned with submittal:

- Our company has 15 or more employees and has included its antidiscrimination policy that mirrors the City’s policy;
- Our company has fourteen (14) or less employees and is attaching the signed AFFIDAVIT OF COMPLIANCE WITH TEMPE CITY CODE CHAPTER 2 ARTICLE VIII SECTION 2-603(5).

Please include this document along with the company’s antidiscrimination policy or the completed affidavit with offer submittal.

Only complete this document if you have 14 or less employees.

**AFFIDAVIT OF COMPLIANCE WITH TEMPE CITY CODE
CHAPTER 2 ARTICLE VIII SECTION 2-603(5)**

Per Tempe City Code Chapter 2 Article VIII Section 2-603(5), it is unlawful for a City vendor or City contractor, because of race, color, gender, gender identity, sexual orientation, religion, national origin, familial status, age, disability, or United States military veteran status, to refuse to hire or employ or bar or discharge from employment any person, or to discriminate against such person in compensation, conditions, or privileges of employment.

City vendors and contractors shall provide a copy of their antidiscrimination policy to City to confirm compliance with this requirement or attest in writing to compliance.

- CONTRACTOR means any person who has a contract with the City.
- VENDOR means a person or firm in the business of selling or otherwise providing products, materials, or services.

CONTRACTOR/VENDOR, select one:

Current copy of antidiscrimination policy attached

OR

I hereby certify The Confluence Group (contractor/vendor) to be in compliance with Tempe City Code Chapter 2 Article VIII Section 2-603(5).



Signature

Date: 11/28/2016

Phil Ragsdale

Print Name

CEO

Title

The Confluence Group, Inc.

Company

IN WITNESS HEREOF, the parties have caused this Agreement to be executed by an authorized representative as of the date set forth below.

CONFLUENCE GROUP, INC.
("Consultant")

By: 

Phil Rasgdale
Name

CEO
Title

11/28/2016
Date

City of Tempe, Arizona
("Customer")

By:

Name

Title

Date

APPROVED AS TO FORM

By:

Name

Title

Date